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Electronically Recorded

Tarrant County Texas

Official Public Records

10/20/2010 1:37 PM

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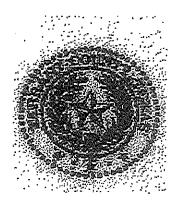
Diga Winke

PGS 3

\$24.00

Suzanne Henderson

Submitter: ACS



DALE PROPERTY SERVICES, LLC ATTN: RECORDING TEAM 500 TAYLOR ST. STE 600 FORT WORTH, TEXAS 76102

Submitter: DALE PROPERTY SERVICES, LLC

SUZANNE HENDERSON TARRANT COUNTY CLERK TARRANT COUNTY COURTHOUSE 100 WEST WEATHERFORD FORT WORTH, TX 76196-0401

DO NOT DESTROY

WARNING - THIS IS PART OF THE OFFICIAL RECORD

ELECTRONICALLY RECORDED BY ERXCHANGE

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers \$8 (4-89) — Paid Up With 640 Acres Pooling Provision STANDARD LEASE

PAID UP OIL AND GAS LEASE (No Surface Use)

Electronically Recorded Chesapeake Operating, Inc.

THIS LEASE AGREEMENT is made this $\underline{14th}$ day of $\underline{OCTOBER}$, 2010, by and between \underline{A} \underline{NEW} \underline{HOME} 4 \underline{U} , \underline{INC} , whose address is $\underline{6145}$ WEDGWOOD DRIVE, FORT WORTH, TEXAS 76133, as Lessor, and CHESAPEAKE EXPLORATION, L.L.C., an Oklahoma limited liability company, whose address is P.O. Box 18496, Oklahoma City, Oklahoma 73154-0496, as Lessee. All printed portions of this lease were prepared by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by Lessor and Lessee.

1. In consideration of a cash bonus in hand paid and the covenants herein contained, Lessor hereby grants, leases and lets exclusively to Lessee the following described

land, hereinafter called leased premises:

0.314 ACRES OF LAND, MORE OR LESS, BEING BLOCK 23, LOT 14, OUT OF THE BROWNING HEIGHTS EAST ADDITION, AN ADDITION TO THE CITY OF HALTOM CITY, TARRANT COUNTY, TEXAS, BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS IN THAT CERTAIN PLAT RECORDED IN VOLUME 388-1, PAGE 77 OF THE PLAT RECORDS OF TARRANT COUNTY, TEXAS.

in the county of TARRANT, State of TEXAS, containing 0.314 gross acres, more or less (including any interests therein which Lessor may hereafter acquire by reversion, prescription or otherwise), for the purpose of exploring for, developing, producing and marketing oil and gas, along with all hydrocarbon and non hydrocarbon substances produced in association therewith (including geophysical/seismic operations). The term "gas" as used herein includes helium, carbon dioxide and other commercial gases, as well as hydrocarbon gases. In addition to the above-described leased premises, this lease also covers accretions and any small strips or parcels of land now or hereafter owned by Lessor which are contiguous or adjacent to the above-described leased premises, and, in consideration of the aforementioned cash bonus, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any shut-in royalties hereunder, the number of gross acres above specified shall be deemed correct, whether actually more or less.

2. This lease, which is a "paid-up" lease requiring no rentals; shall be in force for a primary term of <u>FTVE</u> (5) years from the date hereof, and for as long thereafter as oil or gas or other substances covered hereby are produced in paying quantities from the leased premises or from lands pooled therewith or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. Royalties on oil, gas and other substances produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's separator facilities, the royalty shall be <u>TWENTY-FIVE PERCENT</u> (25)% of such production, to be delivered at Lessee's option to Lessor at the wellhead or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead market price then prevailing in the same field (or if there is no such price then prevailing in the nearest field in which there is such a prevailing price) for production of similar grade and gravity; (b) for gas (including casing head gas) and all other substances covered hereby, the royalty shall be $\underline{TWENTY-FIVE}$ PERCENT (25)% of the proceeds realized by Lessee from the sale thereof, less a proportionate part of ad valorem taxes and production, severance, or other excise taxes and the costs incurred by Lessee in delivering, processing or otherwise marketing such gas or other substances, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellhead market price paid for production of similar quality in the same field (or if there is no such price then prevailing in the same field (or if there is no such price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase contracts entered into on the same or nearest preceding date as the date on which Lessee commences its purchases hereunder, and (c) if at the end of the primary term or any time thereafter one or more wells on the leased premises or lands pooled therewith are capable of either producing oil or gas or other substances covered hereby in paying quantities or such wells are either shut-in or production there from is not being sold by Lessee, such well or wells are either shut-in or production there from is not being sold by Lessee, such well or wells are shut-in or production there from is not being sold by Lessee, such well or wells are shut-in or production there from is not being sold by Lessee, such any expendent or production there from is not being sold by Lessee, such payment to be made to Lessor's credit in the depository designated below, on or before the end of said 90-day period and thereafter on or before each anniversary of the end of said 90-day period while the well or wells are shut-in or production there from is not being sold by Lessee; provided that if this lease is otherwise being maintained by operations, or if production is being sold by Lessee from another well or wells are failure to properly pay shut-in royalty shall render Lessee liable for the amount due, but shall not operate to terminate this lease.

4. All shut-

at the last address known to Lessee shall constitute proper payment. If the depository should liquidate or be succeeded by another institution, or for any reason fail or refuse accept payment hereunder, Lessor shall, at Lessee's request, deliver to Lessee a proper recordable instrumentaming another institution, as depository agent to receive payments.

5. Except as provided for in Paragraph 3, above, if Lessee drills a well which is incapable of producing in paying quantities (hereinafter called 'dry hole') on the leased premises or lands pooled therewith, or if all production (whether or not in paying quantities) permanently ceases from any cause, including a revision of unit boundaries because the provisions of Paragraph 6 or the action of any governmental authority, then in the event liesses is not contentive being maintained in force for the reference of the primary term, or at any time thereafter, this lease is not otherwise being maintained in force but Lessee is then engaged in drilling, reworking or any other operations reasonably calculated to obtain or restore production there from, this leases shall remain in force so be as any one or more of such operations are prosecuted with no existation of more than 90 conscutive days, and if any such operations result in the production of oil or gas or other substances covered hereby, as long thereafter as the constitution of more than 90 conscutive days, and if any such operations result in the production of a well capable of producing in paying quantities hereunder, Lessee shall have the right but not the capable of producing in paying quantities on the leased premises or inands produced therewith. After completion of a well capable of producing in paying quantities on the leased premises or individually privated the producing of the producing on the producing of the producin

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8. The interest of either Lessor or Lessee hereunder may be assigned, devised or otherwise transferred in whole or in part, by area and/or by depth or zone, and the rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's rights and obligations of the parties hereunder shall extend to their respective heirs, devisees, executors, administrators, successors and assigns. No change in Lessor's rights and obligations of the parties hereunder in the rights of enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days ownership shall have the effect of reducing the rights or enlarging the obligations of Lessee hereunder, and no change in ownership shall be binding on Lessee until 60 days ownership shall be reducing the rights of enlarging the obligations of Lessee hereunder, and no change in ownership to the satisfaction of Lessee or after Lessee has been furnished the original or certified or duly authenticated copies of the documents establishing such change of ownership to the satisfaction of Lessee or the documents establishing such change of ownership to the satisfaction of Lessee than 5 and the event of the death of any person entitled to shut-in royalties to such persons or their credit in the depository, either jointly or persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or persons are entitled to shut-in royalties hereunder, Lessee may pay or tender such shut-in royalties to such persons or to their credit in the depository, either jointly or persons are entitled to shut-in royalties hereunder, Lessee transfers a full or undivided interest to the transferred interest shall not affect the rights of arising with respect to the transferred interest, and failure of the transferre to satisfy such obligations with respect to the t

1. Lessee may, at any time and from time to time, deliver to Lessor or file of record a written releases of this lease as to a hild or undivided interest in all or any portion of the area covered by this lease or any depths or zones there under, and shall threeupon be releved of all obligations thereafter arising with respect to the interest so released. It is also that the contractive with the net acreage interest released hereafter.

10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby to be provided and the production of the contractive of the construction and use of reads, reasonably necessary for such purposes, including but not limited to geophysical operations, the diffusing of wells, and the construction and use of reads, reasonably necessary for such purposes, including but not limited to geophysical operations, the diffusing of wells, and the contractive and the production of the contractive of the contractiv

operations.

17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

18. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

19. This lease may be executed in counterparts, each of which is deemed an original and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may depending on market terms are final and vary depending on market this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and vary depending on more down depending on market conditions. Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Lessor that Lessor would get the highest price or different terms depending on acknowledges that no representations or assurances were made in the negotiation of this lease that Lessor would get the highest price or different terms depending on future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which I essee has or may negotiate future market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory's heirs, devisees, executors, administrators, successors and assigns, whether or not this lease has been executed by all parties hereinabove named as Lessor.

CORPORATE ACKNOWLEDGMENT

STATE OF TEXAS COUNTY OF TARRANT

2010, by Richard N. Abrams

UNTY OF TARRANT
This instrument was acknowledged before me on the 14th day of October . 2010, by corporation, on behalf of said corporation. Pers

<u>A</u> Notary Public, State of Texa

Notary's name (printed): Andrew Luces Notary's commission expires: 8/15/2012

